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Firm-to-firm sales: that's where it's at

Many small businesses remain enamoured of the potential for selling products to consumers through the Internet. With all of the hype surrounding Amazon.com and similar on-line ventures, retail

E-BIZ

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electronic commerce seems to be where it's at.

But it isn't. The real potential of the Internet is as a tool for business-to-business transactions. According to Gartner Group Inc., a consulting firm based in Stamford, Conn., the value of on-line business-to-business sales will be more than 10 times that of retail E-commerce transactions by the end of next year.

Business-to-business E-commerce transactions may involve client companies linking directly into your inventory system through your Web site, and inquiring whether particular products are in stock. Business customers may call up a purchase order through your site and interact with your accounts receivable and order entry system to buy your products.

With E-commerce, the transactions that drive the economy are increasingly occurring electronically because companies are willing to link their financial and other systems to their Web site.

That is where companies such as AccPac International are trying to capitalize. The software maker offers sophisticated financial products for accounting (general ledger, accounts payable, accounts receivable), as well as inventory management, order entry, purchase orders and other capabilities.

AccPac recognized early on the potential of the Internet and developed the e.Advantage suite of products. The software lets you take your existing AccPac financial and transactions systems and extend them over the Internet. It gives customers, suppliers and others with whom you have a business relationship a direct link to your data.

The thinking behind the product ties into the business-to-business E-commerce trend. Enabling customers to access your purchase order system means that they are doing the work, not you. That frees up your costly human and other resources. And because they are doing this through a Web site, there is virtually no learning curve involved. Over time, such re-engineering of business transaction methods will lead to significant cost savings for you.

The process is hardly inexpensive. But products such as AccPac's are providing the tools of business-to-business transactions to small businesses. Enterprises should be able to put in place the same type of sophisticated transaction networks that larger organizations are already implementing.

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